

City Council Regular and Special Meetings, May 28, 2002

Twin Pines Senior and Community Center, 1223 Ralston Avenue

SPECIAL MEETING: 7:00 P.M.

CLOSED SESSION

**A. Conference with Legal Counsel, regarding potential litigation,
pursuant to Government Code Section 54956.9:1 Case**

Attended by Councilmembers Metropulos, Cook, Bauer, Warden, Wright, City Manager Kersnar, Assistant City Manager Rich, City Attorney Savaree .
Recording Secretary Kern was excused from attending.

Adjournment at this time, being 7:10 P.M.

David Bauer

Clerk Pro Tem

Meeting Not Tape Recorded

REGULAR MEETING - 7:30 P.M.

ROLL CALL

COUNCILMEMBERS PRESENT: Metropulos, Cook, Wright, Bauer, Warden

COUNCILMEMBERS ABSENT: None

Staff Present: City Manager Kersnar, Assistant City Manager Rich, City Attorney Savaree, Community Development Director Ewing, Public Works Director Davis, Finance Director Fil, Police Chief Janke, IT Manager Harnish, Human Resources Director Dolan, Recording Secretary Kern

ANNOUNCEMENT OF CLOSED SESSION ITEM

Mayor Warden announced that at the Closed Session direction given, no action taken.

PLEDGE OF ALLEGIANCE

Led by Girl Scout Troop 2359, Nesbit School, Troop Leader Donna Fenech.

COUNCIL MEMBER COMMENTS AND ANNOUNCEMENTS

C. Metropulos announced that the Carlmont High School Girls Softball team had won the Central Coast Sectional Division II Championship.

C. Bauer announced that he and a group of other lawmakers and staff members had made the trip to Sacramento to lobby to let Legislators know cities want local assets left alone. He announced there would be another rally on June 5th in Redwood City.

AGENDA AMENDMENTS

Mayor Warden requested concurrence to move agenda item 7-D (motion to call a hearing on Masonic Avenue site) after the Consent Calendar.

CONSENT CALENDAR

Meeting Minutes approved: Special and Regular Meetings, April 23, 2002, Special Jt. Meetings with Arts, and Parks and Recreation Commissions May 1, 2002, Special Council Meeting May 1, 2002.

Warrant Lists approved dated: May 10, 2002 in total amount of \$126,405.96 and May 17, 2002 in total amount of \$329,002.06.

Written Communication 1). rec. 5/15/02 re. PG&E's applic. for rehearing of D.01-10-059 and Petition to Modify D.01-10-059; 2). rec. 5/14/02 re PG&E applic. No. A.97-12-020, I.97-11-026, A.94-12-005, I.95-02-015 (U39M); 3). rec. 5/20/02 Notice of filing of applications for Gas and Electric Revenue Increases: Cost of Capital (COC) and Annual Earnings Assessment (AEAP).

Motion to approve Claims Management Report.

Motion calling for a Public Hearing on June 11, 2002 to consider the Belmont Fire Protection District, Redevelopment Agency and City of Belmont Budgets for Fiscal Year 2002/2003.

Motion to set Public Hearing for June 25, 2002 to consider proposed National Pollutant Elimination System (NPDES) City-Wide Charges.

Motion to set Public Hearing for June 25, 2002 to consider proposed Countywide National Pollutant Elimination System (NPDES) General Program.

Motion to set Public Hearing for June 25, 2002 to consider proposed annual sewer/storm drain rates.

Resolution No. 9242 authorizing a Purchase Order with Mid-Peninsula Flooring for the replacement of carpeting in the Conference Center at the Belmont Sports Complex. (NTE \$10,500)

Resolution No. 9243 declaring as surplus of vehicles and equipment and authorizing sale at public auction and disposal.

Resolution No. 9244 authorizing purchase of five Gateway laptop computers with Grant funds in the amount of \$10,603.

Resolution No. 9245 approving a Right-of-Way Contracts between the City of Belmont and the San Mateo County Transportation Authority (SMCTA) for a Temporary Construction Easement, Parcel No. 58071, Parcel No. 58068, and Parcel No. 58061, US Highway 101 Auxiliary

Motion to set a Public Hearing for June 25, 2002 to consider proposed Master Fee Schedule.

Consent Calendar adopted on motion by C. Wright, seconded by C. Metropulos, and approved unanimously, by roll call vote.

This item was moved at the concurrence of Council and heard following the Consent Calendar.

NEW BUSINESS

Motion setting Hearing to review Planning Commission action Item 6A from May 7, 2002, Public Hearing regarding Conditional Use Permit, Parking Variance, and Design Review for a religious institution in an existing structure at 621 Masonic Way. Call up pursuant to Municipal Code Section 1-11. (Planning Commission Resolution No. 2002-19 adopted on May 21, 2002).

Community Development Director Ewing explained that the Planning Commission had approved a Conditional Use Permit for 621 Masonic Way for a religious assembly use and related uses. He said that following this action a Councilmember had requested a review per Section 1-11 of the Municipal Code. He said this was a procedural question at this time. If Council concurred, staff would return in two weeks for this review.

City Attorney Savaree explained that the only question before the Council at this time, was whether or not they wanted to set a date for this review.

In response to C. Cook, City Attorney Savaree explained that following review, the Council could confirm, reverse or modify the decision of the Commission. She indicated that the Council would have full authority to review the project and decide on a course of action.

City Attorney Savaree reported that the Council decision would be final and any applicant that was unhappy with this decision had a right to file a lawsuit. City Attorney Savaree stated that all of the reviews that had been called up had been heard by the Council.

Mr. Donovan, 610 Hiller Street, said he and his wife wanted to welcome this group to the neighborhood. He requested the Council move forward welcoming them to the City.

Mr. Gttori, 1191 Alameda, Yaseen Foundation, stated that this decision had been approved on a 6/1 vote at the Planning Commission at both meetings. He said there had been wide support for this project and the only negative comments received were unfounded and raised concerns regarding racial bias. He requested that Council pull this item from the agenda and let the objecting party file an appeal stating the basis for the appeal.

Mr. Alomari, P.O.Box 907, Redwood City, stated that this social hall had been used for gatherings for over 50 years. He said the Yaseen Foundation had doubled the required parking for this use. He said many of the people using this facility will be within walking distance of the facility. He said the Planning Commission had studied all aspects of this project and determined that it was in conformance with all the City Codes. Mr. Alomari said he felt this appeal was inappropriate and without foundation. He requested that the individual that opposes this use, file an appeal and substantiate the basis for the appeal. He requested that the Council not consider appeals based on lack of information. Mr. Alomari said they were looking forward to establishing a community center to address the needs of the citizens of Belmont.

Mr. Kaddaoura, 619 Myrtle Avenue, explained that he was in charge of the children and youth groups and that 50-60 families traveled to South San Francisco to attend services. He said this was very inconvenient and that this community center would solve this problem. Mr. Kaddaoura said this was a family oriented center that kept the youth occupied.

Mr. Nofal, 211 Hiller Street, stated that he had lived in Belmont for nine years. He explained that there were 20 Muslim families in the neighborhood who would benefit from having this center within walking distance. Mr. Nofal requested that Council uphold the Planning Commission decision, so that the project could move forward as soon as possible.

Ms. Mujahed, 301 Old County Road, 101, explained that she had been commuting four times a week to South San Francisco with her four children to attend classes. She said this facility on Masonic would be very convenient. Ms. Mujahed said this permit had taken six months to approve, and if this Council review went forward, they would not be able to start the summer program for the children.

Motion by C. Bauer, seconded by C. Cook, to support the request for a review of this project.

C. Wright stated that he respected the request by Councilmember Warden to review this project, but stated that it would take compelling new information to change the decision by the Planning Commission.

C. Warden stated that he would not allow any racist comments to be made during this hearing. He said his concern was with the use, the intensity of the traffic, circulation and parking in the neighborhood.

C. Metropulos stated that he was interested in looking at these issues primarily because of the Arco project and the new Fire Station.

C. Bauer and Cook agreed that it would be prudent to have a second look at the parking and circulation for this project.

Action: motion by C. Bauer, seconded by C. Cook, and approved unanimously, by show of hands, to support the request for a review of this project.

MEETING RECESS at this time, being 8:05 P.M for five minutes.

MEETING RECONVENED, at this time, being 8:11 P.M.

OLD BUSINESS

Consideration of Resolution certifying Project Budget, Local Funding Commitment, and Supplemental Funds for the Application for the Library Bond Act of 2000.

Finance Director Fil explained that this Resolution would certify the funding for the library project under Proposition 14, the Library Bond Act of 2000. He noted that Belmont would be considered in the first round of applications seeking Grant Funding. He reviewed the history of the project which began in 1998, when the Task Force was appointed, through 2002 with the application being submitted.

Ms. Page, Katherine Page and Associates, grant writer shared the intricacies of putting the grant application together for submission to Sacramento for approval. She said that the Joint Use Cooperative Agreements that had been approved between the Elementary and High School Districts, the County Library JPA and the City of Belmont were very innovative. Ms. Page stated that the application went into great detail about how inadequate the current library is for our community needs. She said that not only was this spelled out in text, but a video was done to show our current library facility. Ms. Page showed the library video (copy in the Clerk's office).

Finance Director Fil reviewed the financial details and explained this was a \$17.8 million project, and using the 65%/35% allocation formula, we were applying for \$10.6 million from the State, and a \$7.2 million match from local sources.

Ms. Page explained the components included in the learning support center. She said this element included homework assistance, technology training and tutoring. She said this was not only directed at students, but the whole family.

Finance Director Fil stated that everyone involved was very proud of this learning support center element, which has allowed us first priority in ranking. This key component will separate applicants who have a Joint Use Agreements in place.

Finance Director Fil reviewed the certification requirements outlined in the Resolution, which included the agreement to provide a local match and certify it is available, provide supplemental funding, agree to a project budget, attest to the accuracy and truthfulness of the information submitted and agree the facility shall be dedicated as a public library for 40 years.

In response to C. Wright, Ms. Page explained that the review team in Sacramento had not requested formal presentations. She said it was her understanding that they would make telephone contact with questions or concerns. Ms. Page said this application would be taken to Sacramento in the next few weeks, and she expected to hear back in December.

Ms. Page explained that the review team would provide feedback on the application if it was rejected, so that the City would be able to resubmit in the next round of applications. She said that she thought there might be 75 submittals this round.

Action: on motion by C. Metropulos, seconded by C. Cook, and approved unanimously, by show of hands to adopt:

Resolution No. 9246 certifying project budget, Local Funding commitment, and Supplemental Funds for the Application for the Library Bond Act of 2000.

Finance Director Fil thanked David Braunstein, the Library Task Force, and Belmont Librarian Linda Chiochios for all their input and support throughout this process.

Mayor Warden thanked Finance Director Fil for managing this project.

Meeting Recess at this time being 8:40 P.M.

Meeting Resumed at this time being 8:45 P.M.

NEW BUSINESS

Draft detailed work plan for General Plan Update

Community Development Director Ewing reported that our General Plan was last updated in 1982 and there had been a number of changes in the environment since that time. He said he would return with a final program and budget following direction from Council. He noted that the State required cities to prepare General Plans and required the zoning map to conform to it. Community Development Director Ewing explained that cities that were non-compliant with their General Plans may be prevented from issuing building permits. He said the plan was a collection of policies based on the communities values and beliefs. He suggested a two-prong approach which would explore the values and facts of the community and each would be prepared in parallel. Community Development Director Ewing reviewed the process and the budget for this plan, and stated that the city was collecting between \$60-70,000 a year in building permit fees for a General Plan update.

In response to C. Bauer, Community Development Director Ewing explained that the Council would be involved in this process.

In response to C. Warden, Community Development Director Ewing stated that this process could be put off for a year, but he did not recommend doing it one element at a time, because it was 20 years old, and needed to be updated as a whole.

Community Development Director Ewing stated that he would rather start the data gathering and investigation process. He said this data would be valuable when the plan moved forward.

In response to C. Warden, City Manager Kersnar explained that funds were being collected to support this process. He suggested that staff return with some alternate scenarios, for doing various data collection aspects over the next year. This would include a budget and timeline, so Council could decide how to proceed. He said staff could determine how much of this process could be done in house without additional out of pocket expense.

Community Development Director Ewing explained that the various steps could be broken down into segments and a schedule could be determined based on resources available, which would provide flexibility for the project timing.

Council concurred to have staff prepare a work plan that would include data collection and investigation. This would allow the Update to begin and once the budget numbers are determined, Council could look at expanding the work plan.

Council discussion ensued. They concurred they wanted to start the process by gathering data at this time.

Community Development Director Ewing stated that he heard concurrence from Council to return with a plan for data investigation and an initial look at values. He said staff might be able to do some public outreach with community tours and workshops to collect data.

Discussion and direction regarding amendment to Chapter 3 of the Municipal Code.

City Attorney Savaree stated that she would like to amend Chapter 28, Handbills to broaden the language to include penalties for parties that cause the distribution of the offending handbills. She said she would like to include the language that would expand the definition of persons responsible for compliance with this code section to include persons causing the distribution of material to occur. It would also expand the prohibited material to include all handbills. City Attorney Savaree said she would also include solicitors in

this ordinance amendment to require appropriate approvals by the Police Department or it would be a violation.

In response to C. Wright, City Attorney Savaree explained that a letter would be sent to first time offenders to inform them of the penalties for this type of activity.

Council concurred with this language and proposed changes to the ordinance.

Discussion and consideration of Adoption of Resolution regarding Procedures for Preliminary Design Review.

Community Development Director Ewing reported that the staff was seeking direction for establishment of a procedure for preliminary design review. He explained that some alternatives had been provided to allow Council to decide what they would like to achieve at these reviews. He said the idea of a preliminary review would be for an applicant to get input or feedback from the Council or Planning Commission before they get too invested in a project.

Council discussion ensued. Staff was directed to return with a Resolution that outlined the purpose and limits of Preliminary Design Review. This would include a statement that prohibited Preliminary Design Review on a project for which a formal application had already been filed; a statement would be added to clarify that no action was allowed, and no inference regarding future action should be taken from the comments, simple elevations, but no renderings or detailed elevations allowed. Staff would comment on major zoning conformance or land use issues and the discussion would be limited to the proposed use, intensity and layout.

Mr. Campbell, 2355 34th Avenue, San Francisco, said he was glad to see the preliminary design review process re-established. He said it was critical for a developer to get feedback before a project started through the process, to prevent time and money being wasted.

Council concurred they would not view projects they did not have authority over.

In response to C. Bauer, Community Development Director Ewing explained that the applicants would receive feedback on appropriate land use, intensity, site layout and set back, which he thought was valuable information for a project.

In response to C. Warden, Community Development Director Ewing explained that applicants had mandatory neighborhood outreach requirements on all projects that had to be completed before an application went forward to the Planning Commission.

MEETING RECESS at this time, being 9:45 P.M.

MEETING RECONVENE at this time, being 9:50 P.M.

CONVENE A JOINT MEETING OF THE CITY COUNCIL AND FINANCE COMMISSION TO CONSIDER:

A. Proposed Budget Review:

CALL TO ORDER - 9:50 P.M.

ROLL CALL:

Commissioners Present: Ledoux, Lieberman, Mannisto, Oswald, Sepah-Mansour, Violet, Troyan

Commissioners Absent: Rodriguez, White

City Manager Message

City Manager Kersnar reviewed the budget message and stated that the budget was balanced at \$2.4 million, but below our goal of \$2.8 million. He explained that a \$750,000 mid-year correction was necessary to stay on target. He noted that until the State determined how much they would take from the cities, the city could not be sure this was the end of the corrections to the budget. He explained that the General Fund current revenues equal or exceed current operating expenditures, because of the adoption of the Financial Policies recommended by the Finance Commission last year. He stated that the city was meeting the \$2 million reserve target, but not the targeted 20% maximum for operating reserves. City Manager Kersnar reported that there was \$100,000 for unanticipated events, and our fee structure would be adjusted to keep up with rising costs. He noted that with the current assumptions the City should remain strong going into the next fiscal year.

Policy Overview

Finance Director Fil reviewed the 7 year trends and projections which showed that by Year 2007 our fund balance would be exhausted.

Long Term Forecast

Finance Director Fil He stated that this \$750,000 target correction was a 4.5% estimate and it could grow depending on how the State decides to balance their budget. He explained that our sales tax picture was bleak because our tax revenue from our major taxpayers has been volatile due to the slow economic recovery. Finance Director Fil noted that as soon as the formula had been worked out by the state for balancing the budget, staff would return with an action plan along the lines of the mid year correction. He reviewed the Year 2003-2004 assumptions based on the recession ending and improved revenues growing from a lower base. He stated that he thought expenditures would grow at a rate of long term inflation.

Finance Director Fil reported that the County had confirmed that property tax revenue would be up 5%, sales tax would be 4% regulated at a lower base, Transient Occupancy taxes would be 6%. He noted that the staff had held their budgets to 0%, but there would be a 3% cost of living adjustment for salaries based on the employee Memorandums of Understanding.

Finance Director Fil reported that the State had indicated that they would be considering Redevelopment Agency funds in this round of take always, but there could be some General Fund money included.

Finance Director Fil reported total revenues at \$29.3 million and total expenditures at \$58 million. He explained that the difference in totals had to do with the accumulation of reserves to expend on special projects. Finance Director Fil reported that revenues should improve next year with the tax growth between 4 -5%. He said the operating budget was tied to inflation, with 4% growth, long term. He noted that a 3% at 50 increase had been factored in to the budget for public safety in Year 2006, and the Oracle Debt would be retired in Year 2005.

Performance Budget

Finance Director Fil reviewed the new performance budget format and explained that all departments would be converted by 2004. He said that the actual results would be reported out next year.

Departmental Initiatives

Finance Director Fil reviewed the Department initiatives for the next year.

Capital Improvement Program

Finance Director Fil explained that the total funding for the Capital Improvements projects over the next five years totaled \$62 million, \$20.1 million was scheduled to be spent in Year 2003

Discussion was held and the Council and the Finance Commissioners reviewed the budget numbers and the strategy to be used following the States decision on their funding needs.

Finance Director Fil explained that the staff had been very careful to keep the operating and capital budgets separate. He said that the value in deferring capital projects was the cash available in case of a cash flow problem. He said the \$750,000 correction was on the operation side and would not be corrected by deferring one time capital projects.

MEETING EXTENDED at this time, being 10:30 P.M. for ten minutes

City Manager Kersnar commented that the whole state was struggling with these budgetary issues. He explained that we had a workable problem and have the first six months of the fiscal year to put a plan together with all sorts of options, including service reductions, which was not something the Council, Commission or Community wanted to do hastily.

City Manager Kersnar suggested that the Councilmembers meet with staff to review the budget in the next week. Council concurred with this suggestion.

ADJOURNMENT the Finance Commission Meeting and Regular City Council Meeting adjourned at this time, being 10:40 P.M.

Meeting tape recorded and televised

Tape No. 528

David Bauer

Clerk Pro Tem